

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS)	
ADJUSTMENT FILING OF)	CASE NO.
PEOPLES GAS KY, LLC)	2016-00331

ORDER

On April 29, 2004, in Case No. 2003-00411,¹ the Commission approved rates for Equitable Gas Company, a division of Equitable Resources, Inc. ("Equitable"), and provided for their further adjustment on a quarterly basis in accordance with Equitable's Purchased Gas Adjustment clause. Equitable is regulated pursuant to KRS 278.485 and 807 KAR 5:026, the statute and regulation governing gathering systems that provide service to retail customers who tap onto such systems. Peoples Gas KY, LLC ("Peoples") acquired Equitable on December 17, 2013.

On September 23, 2016, Peoples filed its proposed Gas Cost Recovery ("GCR") rate application to be effective November 1, 2016.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Peoples' notice includes a revised rate designed to pass on to its customers its expected change in wholesale gas costs.

¹ Case No. 2003-00411, *Application of Equitable Gas Company to Increase Rates Pursuant to KRS 278.485* (Ky. PSC Apr. 29, 2004).

2. Peoples' Expected Gas Cost ("EGC") is \$4.3278 per Mcf, which is an increase of \$.5967 per Mcf from its previous EGC of \$3.7311 per Mcf.

3. Peoples' notice sets out no Refund Adjustment.

4. Peoples' notice sets out a current quarter Actual Cost Adjustment ("ACA") of \$.0377 per Mcf. Peoples' total ACA is (\$.4100) per Mcf, which is a decrease of \$.1054 per Mcf from the previous total ACA of (\$.3046) per Mcf.

5. Peoples' notice sets out a current quarter Balance Adjustment ("BA") of \$.0523 per Mcf. Peoples' total BA is \$.0640 per Mcf, which is an increase of \$.0452 per Mcf from the previous total BA of \$.0188 per Mcf.

6. Peoples' GCR rate is \$3.9818 per Mcf, which is an increase of \$.5365 per Mcf from its previous rate of \$3.4453 per Mcf.

7. The rate as proposed by Peoples and set forth in the Appendix to this Order is fair, just, and reasonable, and should be approved for final meter readings by Peoples on and after November 1, 2016.

IT IS THEREFORE ORDERED that:

1. The rate proposed by peoples and set forth in the Appendix to this Order is approved for final meter readings on and after November 1, 2016.

2. Within 20 days of the date of this Order, Peoples shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rate approved herein and reflecting that it was approved pursuant to this Order.

By the Commission

ENTERED
OCT 18 2016
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2016-00331

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00331 DATED **OCT 18 2016**

The following rates and charges are prescribed for the customers in the area served by People Gas KY LLC. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATES:

Customer Charge		\$7.50	
	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total Rate</u>
All Mcf	\$2.1322	\$3.9818	\$ 6.1140

The minimum bill shall be \$7.50.

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